

RAÚL R. LABRADOR
Attorney General

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State of Idaho
Department of Finance
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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

STATE OF IDAHO, DEPARTMENT
OF FINANCE, CONSUMER
FINANCE BUREAU,

Complainant,

vs.

CASHVANT FINANCE SERVICES
LLC,

Respondent.

Docket No. 2023-6-02

**NOTICE OF PROPOSED
DEFAULT ORDER TO CEASE
AND DESIST**

The State of Idaho, Department of Finance (the “Department”), being authorized and directed to administer and enforce the Idaho Credit Code, Idaho Code § 28-41-101 *et seq.* (the ICC), hereby gives notice of proposed default order pursuant to Idaho Code § 67-5242(4) and Idaho Rules of Administrative Procedure 04.11.01.270.01 and 04.11.01.700, *et seq.*

The Default Order is proposed to be issued because of the failure of CASHVANT FINANCE SERVICES LLC (the Respondent) to file an answer to the

Verified Complaint for Order to Cease and Desist and Notice of the Opportunity to Request a Hearing (the Verified Complaint), which was issued and served upon the Respondent on May 22, 2023. The Respondent also failed to assert its right to request an administrative hearing on the matter twenty-one (21) days after it was served with the Verified Complaint.

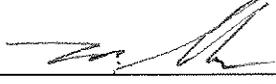
Within seven (7) days after service of this notice and the proposed default order, attached as Exhibit A, the Respondent may file a written petition requesting the proposed order be vacated and not entered as a final order. The petition must state the grounds why the petitioning party believes that default should not be entered. A copy of the written petition shall be served on the Department's counsel in this matter:

Erick M. Shaner
Deputy Attorney General
Idaho Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031
Erick.shaner@finance.idaho.gov

If the Respondent fails to file a written petition as described above, the proposed default order will be submitted to the Director for issuance.

DATED this 21st day of June 2023.

STATE OF IDAHO
OFFICE OF ATTORNEY GENERAL



ERICK M. SHANER
Deputy Attorney General

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 21st day of June 2023 I caused a true and correct copy of the foregoing NOTICE OF PROPOSED DEFAULT ORDER TO CEASE AND DESIST to be served on the following by the designated means:

Cashvant Finance Services, LLC
100 Enterprise Drive
Dover, NJ 07801

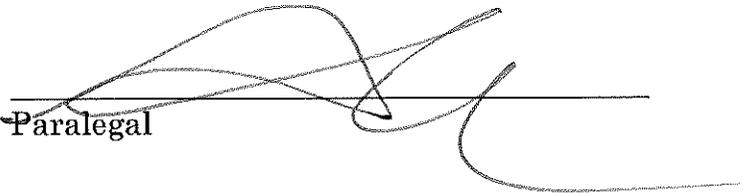
U.S. mail, postage prepaid
 Certified mail
 Facsimile

Smartwoods Finance
c/o Cashvant Finance Services, LLC
100 Enterprise Drive,
Dover, NJ 07801

U.S. mail, postage prepaid
 Certified mail
 Facsimile

Mallington LLC
500 Westover Drive #18796
Sanford, NC 27330

U.S. mail, postage prepaid
 Certified mail
 Facsimile



Paralegal

EXHIBIT A

RAÚL R. LABRADOR
Attorney General

ERICK M. SHANER – I.S.B. #5214
Deputy Attorney General
State of Idaho
Department of Finance
P.O. Box 83720
Boise, Idaho 83720-0031
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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF FINANCE
OF THE STATE OF IDAHO**

STATE OF IDAHO, DEPARTMENT
OF FINANCE, CONSUMER
FINANCE BUREAU,

Complainant,

vs.

CASHVANT FINANCE SERVICES
LLC,

Respondent.

Docket No. 2023-6-02

**DEFAULT ORDER TO CEASE
AND DESIST**

Upon issuance and service of the Verified Complaint for Order to Cease and Desist and Notice of the Opportunity to Request a Hearing (Notice), CASHVANT FINANCE SERVICES LLC (the Respondent), failed to assert its right to request an administrative hearing on the matter twenty-one (21) days after it was served. Following that, on June _____, 2023, the Idaho Department of Finance (Department) served a Notice of Proposed Default Order upon the Respondent. The seven (7) day period within which to file a petition showing good cause why a default order should

not be entered has expired. The Director takes official notice of these documents filed in the administrative record and, by presentation of this Order to the Director, Department staff represents that it is not aware of a response from the Respondent. Therefore, the Director makes the following Findings of Fact, Conclusions of Law, and enters the following Order.

FINDINGS OF FACT

1. The Director of the Idaho Department of Finance has jurisdiction over this matter under Idaho Code §§ 28-46-108(1) and 28-41-201.
2. The Respondent purports to be a limited liability company conducting regulated lending business from Dover, New Jersey. On its website, www.cashvantfinanceservices.com, the Respondent lists a branch office address of 100 Enterprise Drive, Dover, New Jersey 07801. A Department examiner was unable to locate any incorporation information for the Respondent from the State of New Jersey, Department of Treasury, Division of Revenue and Enterprise Services.
3. A Department examiner could not find any registration information with the Idaho Secretary of State and has never applied for or held an Idaho regulated lender license issued by the Department authorizing it to engage in a regulated lending business in Idaho.
4. On September 12, 2022, an Idaho resident, D.R., filed a complaint with the Department against the Respondent regarding a \$650 insurance fee

associated with a personal loan he applied for from the Respondent. D.R.'s complaint also named the entities, "SmartWoods Finance," and "Mallington LLC". A Department staff member contacted D.R. for more information and later received more information from D.R. The Department staff member learned that a representative from "SmartWoods Finance," later clarified as Startwoods Finance, contacted D.R. by phone for some follow-up questions after he completed an online loan application through Respondent's website. D.R. was sent a series of loan documents, including a Promissory Note, Insurance Letter, and Invoice Letter. D.R. provided copies including the executed Promissory Note and insurance letter and invoice letter to the Department.

5. The Invoice Letter contained details of the loan, including, among other things, a prepayment penalty if the loan is paid before 5 years of the loan period expires and a \$650 insurance fee.

6. Respondent gave D.R. a bill for a \$650 insurance fee and requested it be paid before the requested loan funds would be disbursed to him. An email from Respondent's representative, Steven Smith, instructed D.R. to send a cashier's check or money order in the amount of \$650, made out to "Mallington LLC," to Mallington LLC at 500 Westover Drive #18796, Sanford, North Carolina 27330. D.R. indicated that he signed and sent loan

documents to Respondent and also sent a cashier's check to Mallington LLC via FedEx but was able to stop the delivery of it.

7. No records were located with any Secretary of State nor were any licensing records found with any state for Startwoods Finance or Mallington LLC. The only documentation related to Mallington LLC was the email discussed above in paragraph 6.

8. On November 3, 2022, the Department's Consumer Affairs Officer (CAO) sent an email to the Respondent at info@cashvantfinanceservices.com, which is the same email address the Respondent's representative, Mr. Smith, used to email D.R. instructions regarding the \$650 insurance fee. The Department's email to the Respondent included an attachment of D.R.'s complaint and requested that the Respondent review it and provide a response by November 17, 2022.

9. On November 3, 2023, the CAO received a Return Receipt email message from the Respondent's email address, acknowledging "that the message was displayed on the recipient's computer." No response, however, was received from the Respondent.

10. On November 3, 2023, a Department examiner sent a letter via certified mail to the Respondent at the address listed on the Respondent's website. This letter requested that the Respondent provide information to the Department, to include a copy of D.R.'s complete loan file, a response to

D.R.'s complaint, and copies of all communications such as logs/transaction notes, emails, and recorded conversations between the Respondent and D.R. The letter was returned to the Department for "insufficient address."

11. Department staff then attempted to reach the Respondent by telephone but were unable to reach anyone.

12. Based on the above information, Respondent:

- a. Was engaged in the business of making regulated consumer loans.
- b. Advertised, offered, and solicited to make a loan for a consumer purpose in this state by means of mail, telephone, the internet, email, or other electronic means and was engaging in business in this state.
- c. Required a prepayment penalty on a closed end regulated loan.

CONCLUSIONS OF LAW

13. Idaho Code § 28-46-301(1) provides in relevant part that:

...[u]nless a person is exempt under federal law or under this section or has first obtained a license from the administrator authorizing him to make regulated consumer loans, he shall not engage in the business of:

- (a) Making regulated consumer loans

Here, the Respondent engaged in the business of making a consumer loan to D.R.

14. Idaho Code § 28-42-306(1) allows a debtor to prepay in full the unpaid balance of a regulated consumer credit transaction at any time without penalty. Here, the Respondent outlined its loan terms with D.R. that he would be charged a prepayment penalty before five years of the loan period expires.

15. The Respondent's acts of engaging in the business of offering to make regulated loans in Idaho, as referenced above, while not licensed under the ICC to do so, constitute a violation of Idaho Code § 28-46-301(1)(a).

16. The Director is given the authority to issue Cease and Desist Orders. Idaho Code § 28-46-108(1) provides:

After notice and hearing the administrator may order a creditor or a person acting in his behalf to cease and desist from violating this act. A respondent aggrieved by an order of the administrator may obtain judicial review of the order and the administrator may obtain an order of the court for enforcement of his order in the district court. The proceeding for review or enforcement is initiated by filing a petition in the court. Copies of the petition shall be served upon all parties of record.

ORDER

Based upon the foregoing and pursuant to the Idaho Credit Code, Idaho Code § 28-41-101 *et seq.* (the ICC) and the Idaho Administrative Procedure Act, Idaho

Code § 67-5242(4); and the Idaho Rules of Administrative Procedure, Rule 04.11.01.702, it is hereby ordered that:

- a. As a result of engaging in the business of offering to make regulated loans in Idaho without a license as required from the Department, the Respondent is to cease and desist its unlicensed business activity in Idaho unless and until it obtains a license therefore;
- b. Any owners, employees, principals, agents, or affiliates of the Respondent cease and desist any unlicensed activity in Idaho, directly, or indirectly unless and until the Respondent or they individually obtain a license therefor or engage in such conduct as may be permitted on behalf of a duly licensed business.

NOTIFICATION OF RIGHT

This is a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. See Section 67-5246(4), Idaho Code.

Pursuant to Sections 67-5270 and 67-5272, Idaho Code, any party aggrieved by this final order or orders previously issued in this case may appeal this final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho, or
- iv. The real property or personal property that was the subject of the agency action is located.

An appeal must be filed within twenty-eight (28) days (a) of the service date of this final order, (b) of an order denying petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. See Section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal. See Section 67-5274, Idaho Code.

This matter is hereby concluded.

IT IS SO ORDERED.

DATED and EFFECTIVE this _____ day of _____ 2023.

STATE OF IDAHO
DEPARTMENT OF FINANCE

PATRICIA R. PERKINS, Director

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this _____ day of _____ 2023, I served a true and correct copy of the foregoing DEFAULT ORDER TO CEASE AND DESIST on the following by the designated means:

Cashvant Finance Services, LLC	<input type="checkbox"/>	U.S. mail, postage prepaid
100 Enterprise Drive	<input type="checkbox"/>	Certified mail
Dover, NJ 07801	<input type="checkbox"/>	Facsimile

Smartwoods Finance	<input type="checkbox"/>	U.S. mail, postage prepaid
c/o Cashvant Finance Services, LLC	<input type="checkbox"/>	Certified mail
100 Enterprise Drive,	<input type="checkbox"/>	Facsimile
Dover, NJ 07801		

Mallington LLC	<input type="checkbox"/>	U.S. mail, postage prepaid
500 Westover Drive #18796	<input type="checkbox"/>	Certified mail
Sanford, NC 27330	<input type="checkbox"/>	Facsimile

Paralegal